

ATTACHMENT A

PROGRAM REQUIREMENTS

FOR

CHILD CARE
INITIATIVE PROJECT

March 1, 2004 – June 30, 2005

PROGRAM REQUIREMENTS FOR CHILD CARE INITIATIVE PROJECT

Using federal Child Care and Development Block Fund (CCDF) Quality Improvement funding, the contractor will recruit, train and support family child care providers. The project will focus on the recruitment of new family child providers in order to increase the supply of child care in home settings. Emphasis will be placed on recruitment of family child care providers who will provide care for infants and toddlers. It will also focus on the training of new and previously licensed providers.

This project will be administered in partnership with the California Child Care Resource and Referral Network (CCCCRN), which will provide materials, training, and technical assistance as requested and needed by the Resource and Referral programs.

This contract is funded through a grant from the federal Department of Health and Human Services and subject to Code of Federal Regulations (CFR) 45, Parts 98 and 99, the Child Care and Development Block Grant Act of 1990, as amended, and Public Law 104-193, the Personal Responsibility and Work Opportunity Reconciliation Act (PRWORA) of 1996, 42 USC 9858. If the Catalogue of Federal Domestic Assistance (CFDA) number is 93596 (shown as FC# in the funding block), the fund title is Child Care Mandatory and Matching Funds of the Child Care and Development Fund. If the CFDA number is 93575, the fund title is Child Care and Development Block Grant subject to the Child Care and Development Block Grant Act of 1990, the Omnibus Budget Reconciliation Act of 1990, Section 5082, Public Law 101-508, as amended, Section 658J and 658S, and Public Law 102-586.

The following program requirements are provided to assist the designated legal entity in meeting the legislative intent. Each contractor is required, as a condition of its contract with the California Department of Education (CDE), Child Development Division (CDD), to adhere to these requirements and Title 5 regulations pertaining to Child Development Programs, in addition to all other applicable laws and regulations. Any variance from these requirements, the applicable Title 5 regulations, laws and regulations could be considered a noncompliance issue and subject the contractor to possible termination of the contract.

I. GENERAL PROVISIONS

A. National Labor Relations Board/Federal Court Order

By signing this contract, the contractor swears under penalty of perjury that no more than one final unappealable finding of contempt of court has been issued by a federal court against the contractor within the last two (2) years because of failure to comply with a federal court order for compliance with an order of the National Labor Relations Board (Public Contract Code Section 10296). This provision does not apply to public entities.

B. Notification of Address Change

Contractors shall notify the CDD in writing of any change in mailing address for communication regarding the contract (administrative address) within ten (10)

calendar days of the address change. For non-public agencies, the notification must be accompanied with (1) board minutes verifying the change in address and (2) a copy of the notification to the Internal Revenue Service of the address change.

Contractors shall notify the CDD in writing of any proposed change in operating facility address(es) at least thirty (30) calendar days in advance of the change unless such change is required by an emergency such as fire, flood or earthquake.

C. Issuance and Use of Checks

Except for external payroll services, private contractors shall not use any pre-signed, pre-authorized, or pre-stamped checks without the prior written approval of the CDD.

Private contractors shall require two (2) authorized signatures on all checks unless: (1) the contractor has a policy approved by its governing board requiring dual signatures only on checks above a specified dollar amount and (2) the annual audit verifies that appropriate internal controls are maintained.

D. Prohibition Against Loans and Advances

Contractors shall not loan contract funds to individuals, corporations, organizations, public agencies or private agencies. Contractors shall not advance unearned salary to employees. Contractors shall not make advance payments to subcontractors and shall compensate subcontractors after services are rendered or goods are received.

E. Materials Developed with Contract Funds

If the contractor receives income from materials developed with contract funds, the use of the income shall be restricted to the child development program. If the materials were developed in part with contract funds, the income from the sale of the materials that shall be used in the child development program shall be computed in direct proportion to the share of contract funds used in development of the materials.

Materials developed with contract funds shall contain an acknowledgement of the use of State funds in the development of materials and a disclaimer that the contents do not necessarily reflect the position or policy of the CDE.

F. Contractor's Termination for Convenience

1. General Termination for Convenience

A contractor may terminate the contract for any reason during the contract term. The contractor shall notify the CDD of its intent to terminate the contract at least ninety (90) calendar days prior to the date the contractor intends to terminate the contract.

Within fifteen (15) days from the date the contractor notifies the CDD of its intent to terminate the contract, the contractor shall submit: (1) a current inventory of equipment purchased in whole or in part with contract funds.

Upon receipt of a notice of intent to terminate, the CDD will transfer the program to another agency as soon as practicable.

The State shall only be obligated to compensate the contractor for net reimbursable program costs in accordance with this contract through the date of termination. There shall be no other compensation to the contractor. The State shall offset any monies the contractor owes the State against any monies the State owes under this contract.

2. Changes in Laws or Regulations

The CDD shall notify contractors in writing of changes in laws or regulations prior to the effective date or as soon as possible after enactment. If any laws or regulations are changed substantially during the contract period, the contractor shall have the option to discontinue performance and be relieved of all obligations for further performance.

The contractor has thirty (30) calendar days from receipt of notification of pending changes to notify the CDD in writing of the contractor's intent to terminate if the required changes are unacceptable to the contractor. The contract shall be deemed terminated sixty (60) calendar days after receipt of the notification of the intent to terminate.

G. Applicability of Corporations Code

Except for partnerships and sole proprietorships, private contractors shall be subject to all applicable sections of the Corporations Code including standards of conduct and management of the organization.

H. Conflicts of Interest

For any transaction to which the contractor is a party and the other party is: (a) an officer or employee of the contractor or of an organization having financial interest in the contractor; or (b) a partner or controlling stockholder or an organization having a financial interest in the contractor; or (c) a family member of a person having a financial interest in the contractor, the transaction(s) shall be fair and reasonable and conducted at arm's length.

Based on corporate law (Corporations Code sections 310, 5233-5234, 7233 and 9243 as applicable) the general rules that would be followed to ensure that transactions are conducted "at arm's length" include: (1) prior to consummating the transaction, the governing body should authorize or approve the transaction in good faith and the board should require the interested party, or parties, to make full disclosure to the board both in writing and during the board meeting where the transaction is being discussed and (2) all parties having a financial interest in the transaction should refrain from voting on the transaction and it should be so noted in the board minutes.

If the transaction involves the renting of property, either land or buildings, owned by affiliated organizations, officers or other key personnel of the contractor or their families, the board of directors shall request the interested party to obtain a "fair market rental estimate" from an independent appraiser. Rental costs for equipment owned by affiliated organizations, officers or other key personnel of the contractor or their families are allowable only as use or depreciation allowance.

I. Americans with Disabilities Act

By signing this contract, the contractor assures the CDE that it shall comply with the Americans with Disabilities Act (ADA) of 1990 (42 U.S.C. 12101 et seq.) as well as all applicable federal and state laws and regulations, guidelines and interpretations issued thereto.

J. Air or Water Pollution Violations (Government Code Section 4477)

By signing this agreement, the contractor swears under penalty of perjury that the contractor is not: (1) in violation of any order or resolution not subject to review promulgated by the state Air Resources Board or an air pollution control district; (2) subject to a cease and desist order not subject to review issued pursuant to Section 13301 of the Water Code for violation of waste discharge requirements or discharge prohibitions; or (3) finally determined to be in violation of provisions of federal law relating to air or water pollution. This provision does not apply to public agencies.

K. Recycled Paper Certification (Public Contract Code Section 10308.5/10354)

The contractor agrees to certify in writing to the CDE, under penalty of perjury, the minimum, if not exact, percentage of recycled content, both postconsumer material and secondary material as defined in Public Contract Code Sections 12161 and 12200, in materials, goods or supplies offered or products used in the performance of the contract, regardless of whether the product meets the required recycled product percentage as defined in Sections 12161 and 12200. The contractor may certify that the product contains zero recycled content Appraisers or the American Institute of Real Estate Appraisal. If the contractor has no board or is a sole proprietor, the requirement for a "fair market rental estimate" shall also apply. The contractor has the burden of supporting the reasonableness of rental costs. If the property is owned by the contractor, rental costs are not reimbursable and costs may be claimed only as depreciation or use allowance. Any transaction described in this paragraph shall be disclosed by the auditor in the notes to the financial statement in the annual audit.

L. Child Support Compliance (Public Contract Code Section 7110)

By signing this agreement, the contractor acknowledges that (a) it recognizes the importance of child and family support obligations and shall fully comply with all applicable state and federal laws relating to child and family support enforcement including, but not limited to, disclosure of information and compliance with earnings assignment orders as provided in Chapter 8 (commencing with Section 5200) of part 5 of Division 9 of the Family Code; and (b) to the best of its knowledge it is fully complying with the earnings assignment orders of all employees and is providing the names of all new employees to the New Hire Registry maintained by the California Employment Development Department.

M. Unlawful Denial of Services (Government Code Section 11135)

No person in the State of California shall, on the basis of ethnic group identification, religion, age, sex, color, or disability, be unlawfully denied the benefits of, or be unlawfully subjected to discrimination under, any program or activity that is funded directly by the state or receives any financial assistance from the state.

With respect to discrimination on the basis of disability, programs and activities subject to subdivision (a) shall meet the protections and prohibitions contained in Section 202 of the Americans with Disabilities Act of 1990 (42 U.S.C. Sec. 12132), and the federal rules and regulations adopted in implementation thereof, except that if the laws of this state prescribe stronger protections and prohibitions, the programs and activities subject to subdivision (a) shall be subject to the stronger protections and prohibitions.

As used in this section, "disability" means any of the following with respect to an individual: (1) a physical or mental impairment that substantially limits one or more of the major life activities of the individual, (2) a record of an impairment as described in paragraph (1), or (3) being regarded as having an impairment as described in paragraph (1).

N. Computer Software Copyright Compliance

By signing this agreement, the contractor certifies that it has appropriate systems and controls in place to ensure that state funds will not be used in the performance of this contract for the acquisition, operation or maintenance of computer software in violation of copyright laws.

O. Union Organizing and Activities

Contractor by signing this agreement hereby acknowledges the applicability to this agreement of Government Code Section 16645 through Section 16649.

1. Contractor will not assist, promote or deter union organizing by employees performing work on a state service contract, including a public works contract.
2. No state funds received under this agreement will be used to assist, promote or deter union organizing.
3. Contractor will not, for any business conducted under this agreement, use any state property to hold meetings with employees or supervisors if the purpose of such meetings is to assist, promote or deter union organizing, unless the state property is equally available to the general public for holding meetings.
4. If the contractor incurs costs or makes expenditures to assist, promote or deter union organizing, the contractor will maintain records sufficient to show that no reimbursement from state funds has been sought for these costs. The contractor shall provide these records to the Attorney General upon request.

Contractor hereby certifies that no request for reimbursement or payment under this agreement will seek reimbursement for costs incurred to assist, promote or deter union organizing.

P. Equipment Inventory

1. Property records must be maintained that include a description of the equipment, serial number or other identification number, the source of the equipment, the acquisition date, the cost of the equipment, the location, use and condition of the equipment and any ultimate disposition date including date of disposal and sale price if applicable. A physical inventory of equipment must be taken at least every two years and reconciled with property records. A control system must be developed to ensure adequate safeguards to prevent loss, damage or theft (any loss damage or theft must be investigated) and adequate maintenance procedures must be developed to keep the equipment in good condition.

II. CHILD CARE INITIATIVE PROJECT

Includes the following entities:

- California Child Care Resource and Referral Network (CCCRRN)
- Resource And Referral Agencies (R&R)
- Family Child Care Providers

Consists of:

- Assessment and targeting of areas in need of family child care
- Recruitment of family child care providers
- Training and assistance for new and previously licensed family child care providers
- Ongoing provider support

Recruits

- Reside in the county and service area where the R&R program is located.
- Did not have a child care license prior to March 1, 2004 **or** if currently licensed have been inactive for at least 1 year **or** if licensed, be willing to increase capacity, or to serve infants and toddlers, or to provide non-traditional hours of child care.
- Receive license during the project year (March 1, 2004-June 30, 2005), or have license pending with California Department of Social Services (DSS), Community Care Licensing (CCL) by the end of the project year.
- All recruits are considered to be trainees, and must complete the training component. However, all recruits who have received a family child care license or a pending license within the project year may be counted toward the project's recruitment goals.

- Must participate in at least three CCIP activities during the project year, including but not limited to the following:
 - Home visits
 - R&R office visits
 - Equipment/toy loan
 - Support group or provider social event
 - Home tours

Trainees

- Reside and provide family child care services in the service delivery area where the Resource and Referral program is located.
- Will include new providers (Recruits), already licensed providers, and (only if space permits) center-based child care staff.
- Complete a minimum of 12-18 hours of infant/toddler training.
- Complete a total of 25-30 hours of training (including the Infant Toddler component)
- Participate in at least 3 Initiative activities during the project year including, but not limited to, the following:
 - Home visits
 - R&R office visit
 - Equipment/toy loan
 - Support group or provider social event
 - Home tours

III. RESOURCE AND REFERRAL AGENCY RESPONSIBILITIES

A. The contractor agrees to:

1. Participate in the CCCRRN/CCIP start-up orientation, a minimum of two regional trainings, a yearend and/or other statewide CCIP related training, and site visits as scheduled.
2. Consult with the CCCRRN as needed in implementing the CCIP Training Model.
3. Identify and recruit family child care providers who will care for infants and toddlers, including, but not limited to:
 - Assessment and targeting of family child care home needs
 - Training and assistance to new providers in the areas of:
 - Starting a family child care business
 - Setting up your home for family child care
 - The licensing and fingerprinting process
 - Working with parents
 - Health and safety training
 - Developmental needs of children
 - Providing on-going provider support
 - Caring for infants and toddlers

4. Conduct other necessary activities, including but not limited to:
 - Community outreach
 - Developing networks in new communities
 - Working with community collaborations such as local child care planning councils, family child care associations, and program quality consortia
 - Using the media for recruitment
 - Providing training and technical assistance to existing family child care home providers
5. Submit a Project Implementation Plan to the CCCRRN that includes:
 - Recruitment and training goals. The goals for provider recruitment and training will be based upon the definitions for family child care provider Recruit and Trainee as outlined above.
 - A report of the current family child care supply and licensed capacity in the service delivery area.
 - A description of recruitment, training, and supportive activities to be conducted.
 - A timeline of the activities to carry out the project goals including a plan for recruitment, training, technical assistance, retention and on-going support for the providers.
 - A line-item project budget, and a narrative description of that budget.
 - A project management and staffing plan. This plan shall include:
 - name of person responsible for the overall project management and supervision
 - a list of all project positions
 - percentage of time for each position
 - personnel category for each position
 - qualifications for each staff position
 - duties, tasks and responsibilities of each position

B. Reimbursement Costs

Reimbursable costs must be incurred during the contract period. Contractors shall not use current year contract funds to pay prior or future year obligations.

These funds shall not be used for any purpose considered non-reimbursable pursuant to Section 18035 of Title 5, Division 19 of the California Code of Regulations.

C. Reporting Requirements

Private agencies (including proprietary entities) that receive \$300,000 or more in total federal funds are required to have an Organization Wide Audit (OWA) performed in accordance with OMB Circular A-133 and the "Audit Guide for Audits of Child Development and Nutrition Programs" prepared by CDE's Audits and Investigations Division (A&I). Governmental and other public agencies (excluding school districts, county office of education and community college districts) must comply with the requirements of OMB Circular A-128 and the CDE's "Audit Guide."

All other agencies (excluding school districts, county offices or education and community colleges) must submit a contractor audit performed in accordance with the CDE's "Audit Guide."

Submit to the CCCRRN:

- A minimum of two fiscal reports due January 15, 2005 and July 30, 2005. Additional fiscal reports may be required at the discretion of the CCIP program manager.
- Data on number and location of providers recruited, trained, licensed to provide care in a family child care home, including infants and toddlers, at the end of the project period.
- A total of four program reports of progress toward goals and one year-end narrative report.

The Expenditure and Revenue Report Form (CDFS 9529) is to be submitted once during the contract period and is due July 20, 2005. Please complete and submit this form directly to your assigned fiscal analyst at:

California Department of Education
Child Development Fiscal Services
1430 N Street, Suite 2213
Sacramento, CA 95814

If there are questions regarding the appropriateness of a proposed expenditure, they may be addressed to Gail Brodie, Consultant, Quality Improvement and Capacity Building Unit, at (916) 322-4861.